

The committee, consisting of Mr. Johnson, Mr. King, Mr. Pinckney, Mr. Monroe, and Mr. Grayson, to whom was referred a letter from His Excellency the governor of New-York, of the 16th instant, report ...

The Committee, consisting of Mr. Johnson, Mr. King, Mr. Pinckney, Mr. Monroe, and Mr. Grayson, to whom was referred a Letter from his Excellency the Governor of New-York, of the 6th instant,—

REPORT,—

THAT they have examined an act passed by the state of New-York, on the 4th day of May last, entitled “An act for giving and granting to the United States in Congress assembled, certain imposts and duties on foreign goods imported into that state, for the special purpose of paying the principal and interest of the debt contracted in the prosecution of the late war with Great-Britain:” That by the act of Congress of the 18th April, 1783, it is recommended to the several states, as indispensably necessary to the restoration of public credit, and to the punctual and honourable discharge of the public debts, to invest the United States in Congress assembled with a power to levy certain duties upon goods imported into the United States; provided that the collectors of the said duties should be appointed by the states within which their offices are to be respectively exercised; but when so appointed, to be amenable to and removeable by the United States in Congress assembled alone. The committee conceive that the investing the United States in Congress assembled with this power, which includes that of forming the necessary regulations, or revenue laws, with suitable penalties, of declaring the money in which the said duties shall be received,—of establishing the number of revenue officers, and ascertaining their duties, has been and must be considered as an essential part of

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the plan submitted to the several states for their adoption: The exercise of this power by thirteen separate authorities, would introduce different laws upon the same subject, ordain various penalties for the same offence, destroy the equality of the tax, and might in a great measure defeat the revenue. All the states, except New-York, having in pursuance of the recommendation of the 18th April, 1783, granted the imposts by acts vesting this power, with certain qualifications, exclusively in the United States in Congress assembled; the long continued embarrassments of the public finances, and the indispensable demands on the federal government, dictate the necessity of an immediate and unanimous adoption of this measure: Impressed with these opinions, the committee have carefully examined the act of the state of New-York, and submit the following remarks:

1st. That several of the states which have passed acts, investing the United States in Congress assembled, under certain restrictions, with power to levy the duties on goods imported into the United States, agreeably to the recommendation of the 18th of April, 1783, have inferred in their acts, express conditions that the same shall not be in force, or begin to operate, until all the states in the confederacy have passed acts vesting the United States in Congress assembled, with power to levy in the several states like duties.

2d. That the act of the state of New-York, referred to the committee, does not invest the United States in Congress assembled with power to levy in that state the duties therein mentioned, but reserves to the state of New-York the sole power of levying and collecting the same in the manner directed in and by an act of that state, entitled "An act imposing duties on certain goods, wares and merchandize imported into the said state," passed the 18th day of November, 1784, and consequently prevents the operation of the impost in those states which have made the exercise of this power, by the United States in Congress assembled, an indispensable and express condition of their grants.

3d. That the said act does not make the collectors of the said duties amenable to and removable by the United States in Congress assembled; but ordains, that upon conviction before the supreme court of judicature, or in the court of exchequer of the state of New-

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York, for any default or neglect in the execution of the duties require of them by the said act, or by an act of that state, entitled “An act imposing duties on certain goods, wares and merchandize imported into the said state,” they shall be removed from office, and others appointed instead of the persons so convicted; which is a material departure from the plan recommended by Congress.

4th. That by an act of the state of New-York, entitled “An act for emitting the sum of two hundred thousand pounds, in bills of credit, for the purposes therein mentioned,” passed the 18th April, 1786, it is among other things enacted, “That gold and silver, and the bills of credit emitted by virtue of the said act, shall be received by the collector for duties arising on goods, wares and merchandize imported into the said state after the passing the said act;” in consequence whereof, admitting that the system of a general impost could be put in operation, it would remain optional with the importer to pay the duties on goods imported into the state of New-York, in specie, or bills of credit, emitted by virtue of the aforesaid act.

5th. If bills of credit of the state of New-York should be received from the importer in that state, upon the principles of equal justice, bills of credit emitted by any other state, must be received from the importer of goods in such state, and thereby instead of the system yielding a sum in actual money, nothing but paper would be brought into the federal treasury, which would be wholly inapplicable to the payment of any part of the interest or principal of the foreign debt of the United States. Whereupon the committee submit the following resolutions:

1st. *Resolved*, That the act of the state of New-York, entitled, “An act for giving and granting to the United States in Congress assembled, certain imposts and duties on foreign goods imported into that state, for the special purpose of paying the principal and interest of the debts contracted in the prosecution of the late war with Great Britain,” so essentially varies from the system of impost recommended by the United States in

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Congress assembled on the 18th day of April 1783, that the said act is not, and cannot be considered as a compliance with the same.

2d. *Resolved*, That the present critical and embarrassed situation of the finances of the United States is such as to require, that the system of impost should be carried into immediate effect. That New-York being the only state which has not yet adopted the same, the United States in Congress assembled deem this an occasion sufficiently important and extraordinary, to request, that the legislature of the said state, be convened, for the purpose of taking the said system into their immediate and serious consideration, and granting the same in the manner recommended by the resolution of the 18th April 1783.

3d. *Resolved*, That it be earnestly recommended to the executive of the state of New-York, immediately to convene the legislature of the said state, to take into their consideration the recommendation of the 18th April 1783, for the purpose of granting the system of impost in such conformity with the acts and grants of the other states, as on their part to enable the United States in Congress assembled to carry the same into effect.

New York Import Act